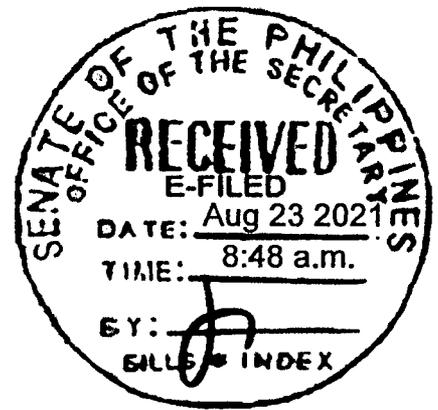


EIGHTEENTH CONGRESS OF THE)
REPUBLIC OF THE PHILIPPINES)
Third Regular Session)



SENATE

Senate Bill No. 2350

Introduced by Senator FRANCIS N. PANGILINAN

AN ACT
CREATING AN AGRICULTURAL PENSION PROGRAM TO PROVIDE SOCIAL
SECURITY AND PENSION BENEFITS TO FARMERS AND FISHERFOLK

EXPLANATORY NOTE

Farmers and fisherfolk play an important role in economic development. According to the June 2021 Labor Force Survey, 24.3 percent of the country's labor force or 10.56 million people are employed in the sector.¹ In 2020, the agriculture, forestry, and fishing sector contributed 10.2 percent to the country's Gross Domestic Product. At current prices, the Gross Value Added of the sector is equivalent to P1,827.01 billion.²

However, the productivity of the sector and its contribution to national development has not translated to higher incomes and better quality of life for farmers and fisherfolk. Preliminary estimates of the Philippine Statistics Authority show that agriculture workers posted the highest poverty incidence among the basic sectors in 2018. Farmers registered the highest poverty incidence at 31.6 percent while fisherfolk was at 26.2%. They also registered the highest poverty incidence in 2015.³

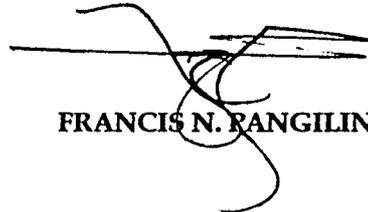
In contrast with the wages offered in other sectors, agriculture continued to offer lower pay, based on the August 2021 rates published by the Department of Labor and Employment's National Wages and Productivity Commission. Workers in the agriculture sector receive minimum wages of P500 or less daily while those who work in non-agriculture sectors receive minimum wages of up to P537 daily.⁴ Nationwide, the nominal wage rate of agricultural workers in 2019 averaged P331.10 per day.⁵

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- ¹ PSA. *June 2021 Labor Force Survey*. Available at <https://psa.gov.ph/content/unemployment-rate-june-2021-estimated-77-percent>. Accessed on 9 August 2021.
 - ² PSA. *Agricultural Indicators System: Economic Growth Rate in Agriculture*. Published in June 2021. Available at https://psa.gov.ph/sites/default/files/1_Full%20Report%20Economic%20Growth%20Agriculture%202016-2020%20as%20of%2015%20June_v2_signed.pdf. Accessed on 9 August 2021.
 - ³ PSA. *Farmers, Fisherfolks, Individuals Residing in Rural Areas and Children Posted the Highest Poverty Incidences Among the Basic Sectors in 2018*. Published on 03 June 2020. Available at <https://psa.gov.ph/poverty-press-releases/nid/162541>. Accessed on 13 August 2021.
 - ⁴ DOLE-NWPC. *Summary of Current Regional Daily Minimum Wage Rates by Region, Non-Agriculture and Agriculture*. Published in August 2021. Available at <https://nwpc.dole.gov.ph/stats/summary-of-current-regional-daily-minimum-wage-rates-by-region-non-agriculture-and-agriculture/>. Accessed on 13 August 2021.
 - ⁵ PSA. *Trends in Agricultural Wage Rates (2017-2019)*. Published in August 2020. Available at https://psa.gov.ph/sites/default/files/Report_2019%20Trends%20in%20Agri%20Wage%20Rates_signed.pdf. Accessed on 10 August 2021.

Due, in part, to the low income of farmers, less and less younger Filipinos go into farming. A recent study published in the Philippine Journal of Science confirmed the ageing population of farmers. The average age of farmers today is 53 years old. Most farmers have been engaged in farming for an average of 25 years. According to the same study, 65 percent of farmers believe that their children will not have a bright future if they become rice farmers.⁶ *Mang* Romeo, a farmer from Nueva Ecija, is among the millions of farmers who have been working in the sector for decades. At 73 years old, he remains poor despite working in the farm for six decades since he was 12 years old.

This proposed measure seeks to recognize the fundamental role and give proper value to the contributions of farmers and fisherfolk, such as *Mang* Romeo, in our daily survival, in ensuring food security, and in the overall national development. The undersigned sees the urgent need to protect and promote their welfare through measures that would reduce their socio-economic risks and vulnerabilities. A comprehensive pension and social security program is hereby sought to be created for the benefit of agriculture workers. The State must strive to ensure a better quality of life and provide a substantial and reliable source of retirement benefits and social security to the very people who feed the nation.

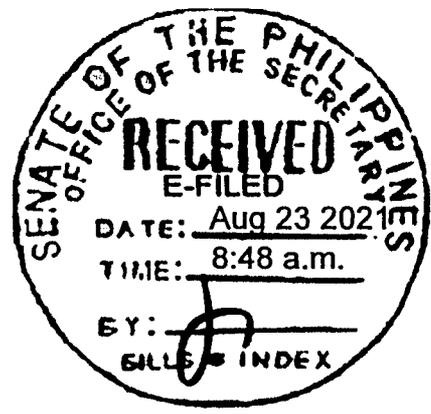
In view of the foregoing, the passage of this bill is earnestly sought.



FRANCIS N. RANGILINAN

⁶ Palis, F. (2020). Aging Filipino Rice Farmers and their Aspirations for their Children. *Philippine Journal of Science*, 149(2). https://philjournalsci.dost.gov.ph/images/pdf/pjs_pdf/vol149no2/aging_filipino_rice_farmers_.pdf. Accessed on 13 August 2021.

EIGHTEENTH CONGRESS OF THE)
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SENATE

Senate Bill No. 2350

Introduced by Senator FRANCIS N. PANGILINAN

**AN ACT
CREATING AN AGRICULTURAL PENSION PROGRAM TO PROVIDE SOCIAL
SECURITY AND PENSION BENEFITS TO FARMERS AND FISHERFOLK**

Be it enacted by the Senate and the House of Representatives of the Philippines in Congress assembled:

1 **SECTION 1. *Short Title.*** - This Act shall be known as the "*Pensyonadong Magsasaka*
2 *at Mangingisda Act*".

3 **SEC. 2. *Declaration of Policy.*** - It is hereby declared the policy of the State to:

- 4 a) Revitalize the agriculture industry towards sustainability and create the
5 necessary conditions to end hunger, achieve food security, and improve the
6 general health and nutrition of Filipinos;
- 7 b) Recognize the fundamental role and give proper value to the contributions of
8 farmers and fisherfolk in our daily survival, national development, and in
9 ensuring long-run food security;
- 10 c) Protect and promote the welfare of farmers and fisherfolk by putting in place
11 measures that would reduce their socio-economic risks and vulnerabilities,
12 thereby improving their quality of life; and
- 13 d) Establish and institutionalize a comprehensive pension and social security
14 program for the benefit of agricultural workers.

15 **SEC. 3. *The Farmers and Fisherfolk Social Security and Pension Program.*** - There
16 is hereby established the "Farmers and Fisherfolk Social Security and Pension Program,"

1 herein referred to as the Program, which shall provide agricultural workers a substantial
2 and reliable source of income security and secured retirement in their old age.

3 The Program shall consist of the comprehensive set of objectives, targets, and
4 holistic approach in the provision of sickness, maternity, disability, retirement, death, and
5 funeral benefits to farmers and fisherfolk.

6 It shall be integrated and made consistent with the package benefits under the Social
7 Security System (SSS) and relevant programs of the Department of Agriculture (DA) and
8 the Philippine Crop Insurance Corporation (PCIC).

9 **SEC. 4. Implementing Agencies.** – The PCIC, an attached agency of the DA, and the
10 SSS shall be the primary implementing agencies of the provisions of this Act.

11 To fulfill the goals of this Act, they shall perform the following duties and functions:

- 12 a) The SSS and PCIC shall tap the expertise of other relevant government offices
13 in the formulation of the objectives, targets, and approaches under the
14 Program.
- 15 b) The PCIC shall manage the registration system of eligible agricultural workers
16 under the Registry System for Basic Sectors in Agriculture (RSBSA) and
17 maintain the required operational reports.
- 18 c) The SSS shall manage the funds allocated and the social security and pension
19 scheme of the Program and maintain the required actuarial and financial
20 reports.
- 21 d) The PCIC and the SSS shall perform other duties and functions necessary in
22 the efficient and effective implementation of this Act.

23 The PCIC and the SSS shall collaborate with and secure the technical assistance of
24 the DA in all stages of implementation of this Act. The DA shall ensure that the objectives
25 of the Program are met and shall evaluate and monitor the Program's contribution to the
26 productivity of the agricultural sector and the improvement of the quality of life of
27 farmers and fisherfolk.

1 **SEC. 5. Appropriations.** - The amount necessary to carry out the initial
2 implementation of this Act shall be drawn from the savings of the national government.
3 Thereafter, the funds necessary for the continuous implementation of the program shall
4 be sourced from ten percent (10%) of the total annual duties collected from the
5 importation of agricultural products. The supplemental amount necessary for its
6 implementation shall be included in the annual appropriations of the DA.

7 **SEC. 6. Implementing Rules and Regulations.** - Within ninety (90) days from the
8 date of effectivity of this Act, the PCIC shall, in consultation with the DA, SSS, the
9 Department of Budget and Management, and the Department of Finance, formulate the
10 rules and regulations for the proper implementation of this Act.

11 **SEC. 7. Separability Clause.** - If any provision of this Act is declared invalid or
12 unconstitutional, the other provisions not affected by such declaration shall remain in full
13 force and effect.

14 **SEC. 8. Repealing Clause.** - All laws, executive and administrative orders, rules,
15 and regulations inconsistent with the foregoing provisions are hereby repealed or
16 modified accordingly.

17 **SEC. 9. Effectivity.** - This Act shall take effect fifteen (15) days after its publication
18 in the Official Gazette or in a newspaper of general circulation in the Philippines.

Approved,